

	<b>Pike Electric Employee Handbook</b>	
	<b>Subject: Travel and Lodging Policy</b>	
	Effective Date: October 31, 2008	Revision: 0

## Policy

It is the policy of Pike Electric to reimburse employees for reasonable business expenses incurred in association with travel taken on the company's behalf. The nature and purpose of expenses must conform to sound business practices, Pike Electric Corporation's Code of Business Conduct and Ethics and this policy.

## General Guidelines

Business travel represents a large, yet necessary expense. Both management and employees bear the responsibility to evaluate the need and benefit of business travel. Each employee contemplating travel, as well as that employee's supervisor, should assess the expected benefits against the costs of such travel. Alternatives for accomplishing the same objectives such as conference calls and video conferencing should be thoroughly evaluated prior to making the decision to travel.

Employees are expected to stay in safe, clean & economical hotels or motels. Proximity to the airport, meeting location, job site and/or customer locations should be considered when selecting lodging. Personal safety as well as the security of vehicles and other equipment should be considered when selecting lodging and associated parking accommodations.

## Responsibilities

- Employees are expected to:
  - Become familiar with and adhere to this policy.
  - Exercise discretion and good business judgment with respect to travel expenses.
  - Report expenses, supported by required documentation in a timely fashion.
- Supervisory personnel are expected to ensure this policy is followed and for approving submitted expense reports.
- Final interpretation of this policy rests with Pike Electric's Senior Leadership Team.
- Accounting is responsible for monitoring adherence to this policy.

## **Airfare:**

- All airfare arrangements should be made by the individual employee or by the employee designated by each office location.
- Tickets should be purchased at least 7 days in advance of travel. Supervisor approval should be obtained for ticket purchases less than 7 days in advance of travel.
- Non-refundable tickets should be purchased.
- Only coach or economy class tickets should be purchased

## **Lodging**

- All arrangements for overnight lodging must be made through Creative Lodging Solutions (CLS). All lodging will be paid direct by CLS. CLS can be contacted by phone 888-852-5100 or by e-mail at [pikeelectric@yourcls.com](mailto:pikeelectric@yourcls.com)
  - Employees should identify themselves as a Pike Electric employee and provide their employee number with lodging request. If applicable, employees should also provide a job number at the time of request.
  - Employee should identify the location of their lodging needs as specifically as possible and can identify a specific hotel if known. Otherwise, the employee can request that CLS provide them with a list of possible options to choose from in the general area of requested stay. Regardless, CLS may provide other alternatives for current or future travel if they can identify less expensive lodging options of comparable quality in the area. Please choose a cost-effective option that you are comfortable with.
  - If possible, please provide CLS with at least three days advance notice, so that they can maximize potential savings.
- Lodging will only be reimbursed for trips that exceed 80 miles over the employee's normal commute, unless prior approval has been obtained.
- Lodging receipts are required and are to be submitted to the expense report.
- Only charges for room and tax will be reimbursed. Personal charges will not be reimbursed. Examples of personal charges include, but are not limited to, personal internet usage (fees associated with business internet use will be reimbursed), personal phone, personal fax, laundry, safe, gym, food and drink, and movies.
- Costs associated with damages caused by the employee will not be reimbursed and will be deducted from paychecks of responsible employee if the company is charged. Supervisors will be notified in advance of these situations so adequate communication with employee will precede paycheck deduction(s).

- Employees must follow all prearranged lodging guidelines that may be established for organized company gatherings.
- Saturday night lodging will be reimbursed with supporting documentation on airfare savings resulting from a Saturday night stay and advanced supervisor approval.

### **Miscellaneous Expenses**

- Reasonable expenses for the following items will be reimbursed when incurred in association with business travel:
  - Laundry during extended stays (over 7 nights) or storm situations only
  - Meals
    - Reasonable actual out-of-pocket expenses for meals during travel that requires overnight lodging.
    - Lunch only when it is deemed a legitimate business or entertainment expense.
    - Alcohol will not be reimbursed.
    - Gratuities up to 15% of the cost of the meal
- Phones
  - Employees are responsible for any expenses incurred on their personal cellular phones. Employees who are not issued corporate cellular phones but use their personal cellular phones for occasional business purposes must submit a detailed invoice for reimbursement through the expense reporting process. Only the actual cost of the call(s), not monthly fees, will be eligible for reimbursement.
  - Company issued cellular phones should be used for business calls only. Employees with company issued cellular phones should not submit any other telephone charges for reimbursement, including those from a personal cellular phone.
  - **CAUTION:** Cellular phones should not be used while driving.
  - Use of airplane telephones will not be reimbursed.

### **Ground Transportation**

- Employees are expected to use good business judgment when selecting ground transportation for business travel. Shuttle buses and mass transit such as subways are preferred to taxis when time allows. The least expensive safe and secure means of transportation should be selected. Parking tickets, fines and other penalties for improper operations of a vehicle are not reimbursable.

### **Personal Vehicles**

- Employees who have not been issued a company car or are not covered by the company's car allowance program may use their personal vehicles for business travel when it is the most economical form of transportation. Use of personal vehicle for business travel will be reimbursed on a per

mile basis. Mileage will be reimbursed at the current federal rate per mile. Insurance, gas & depreciation are included in the determination of this rate.

- The use of personal vehicles for commuting to and from the office will not be reimbursed.
- Employees who have not been issued a company car or are not covered by the car allowance program and use their personal vehicle for transportation to and from the airport will be reimbursed at the current federal rate. Employees will be reimbursed for either one round trip & parking or two round trips with no parking (if someone drops you off).

## **Rental Cars**

- Rental car reservations should be booked with the company that offers the lowest rate.
- Employees should rent “compact” or “mid-size/intermediate” vehicles when traveling alone. Limo rentals will not be reimbursed.
- Employees traveling in groups may rent “full-size” vehicles.
- Employees are expected to review each car rental contract prior to signing to assure that it is in compliance with the negotiated rates and terms.
  - Additional insurance coverage should be declined because the company’s insurance policy covers employees who rent cars for business travel.
  - Rental vehicles should be returned to the same location from which they were rented to avoid expensive drop-off charges.
  - Rental cars should be returned with the same amount of gas as was in the vehicle at the beginning of the rental period to avoid excessive refueling charges.
  - All fines relating to parking infractions or traffic violations are the responsibility of the employee.

## **Business Meals & Entertainment**

- Employees are expected to exercise discretion with regards to business meals and entertainment. The cost and nature of the entertainment should be planned and carried out in a way that reflects a professional and ethical image.
- The IRS limits deductibility for entertainment expense based on the expense being directly related to the active conduct of business and is justified as being ordinary and necessary.
- All expenses must be supported by original receipts. In the event that a receipt is lost, credit card statements can serve as a valid receipt. However, the use of credit card statements should be the exception and used only in extenuating circumstances.

The company will reimburse the reasonable cost of meals associated with group luncheons or dinners, providing the group has convened for a specific business purpose.

- The following information regarding business meals and entertainment must be included on the Expense Report:
  - Name of establishment
  - Type of entertainment
  - Full names/business relationship and company name of all persons entertained (including all Pike personnel in attendance)
  - Purpose/nature of business discussion

NOTE: the IRS requires this information. Failure to include this information will result in the expense report being returned to the employee unpaid for correction.

## **Per Diem**

Per Diem refers to those projects and jobs in which an employee per diem travel allowance has been included in a contract with a customer. In some case per diem will replace the need to submit specific expenses for reimbursement. Only those employees assigned to projects or jobs covered by a contract in which per diem has been stipulated or identified by Pike Electric as a job covered by per diem may be eligible to receive per diem. For all other projects or jobs, employees must comply with all other provisions of this Policy.

In general, the costs of travel associated with projects or jobs covered by per diem that requires overnight stays will be reimbursed to employees through the payment of per diem. The per diem is a standard amount paid per night that reimburses employees for the costs of lodging, meals, mileage and other travel costs. No stipends or mileage reimbursement will be paid on projects or jobs that are eligible for a per diem payment. The per diem payment for the assigned project or job is either at the customer approved rate or the Pike Electric project or job approved rate per night.

Region Vice Presidents or Department Heads will determine if the project or job is designated for per diem. In general, employees assigned to project work will be eligible for per diem when they are in travel status. Employees may be eligible for per diem for the night before the work starts with prior approval from supervision and where travel to the work site is over 80 miles from the employee's home or office.

Employees assigned to projects of jobs designated for per diem payments will not be eligible for reimbursement of actual and reasonable expenses.

## Corporate Credit Cards

- Company provided credit cards should be used for all business expenses.
- All employees issued a company credit card must sign and return the company's "Agreement to Accept the VISA Purchasing Card" (Attachment 1) to HR Records, 100 Pike Way, Mount Airy, NC 27030.
- Company credit cards should not be used for any personal transactions.
- Abuse of the company credit card will be subject to loss of credit card privileges and may include disciplinary action up to and including termination.

## Expense Reports

- All engineering and substation construction employees shall use the Pike Employee Expense Report (Attachment 3) for reporting and submitting business expenses for reimbursement.
  - Complete the appropriate expense report for each job number. Use one form for each job number.
    - Each expense receipt should show on the front of the receipt:
    - Employee name – required
    - Employee number – required
    - Job number – required
    - Work order number – if applicable
  - Attach credit card and cash receipts to the form
  - Do not use highlighter markers on receipts
  - Include appropriate details of transaction including all IRS required information
  - Sign and submit to supervisor for approval
  - Mail completed and signed forms to Accounts Payable in Mount Airy
- All other employees shall use the Pike Electric Weekly Cash Reimbursement Request (Attachment 2) for reporting and submitting business expenses for reimbursement.
- All sections of the expense report must be completed in accordance with this policy.
- Employee must review & sign expense reports.
- Expense reports must be approved and signed by employee supervisor.
- Expense submitted for reimbursement must be accompanied by an original receipt or credit card statement.
- Completed and approved expense reports shall be submitted to the Corporate A/P Department, 100 Pike Way, Mount Airy, NC 27030.

- Expense reports should be submitted in a timely fashion, (within 10 days of the expenditure or completion of travel) or as indicated on the expense reimbursement request form, to ensure timely reimbursement and accounting
- Customer contract requirements including customer specified per diems override all Pike policies. Employee shall note customer specifics on expense report.

## Attachment 1

### Agreement to Accept the VISA Purchasing Card

Your participation in the VISA Purchasing Card Program is a convenience that includes associated responsibilities. Although the card is issued in your name, it is company property and should be used with good judgment. Your signature below verifies that you understand the VISA Purchasing Card Program guidelines outlined below and agree to comply with them.

The Visa Purchasing Card is provided to employees based on their need to purchase

- 1 The card is for business-related purchases only. Personal charges are not to be made to the card.
- 2 The cardholder is the only person entitled to use the card and is responsible for all charges made against the card.
- 3 Improper use of the card can be considered misappropriation of company funds, which may result in disciplinary action, up to, and including termination.
- 4 All charges are billed directly to and paid directly by the company. Any personal charges not reimbursed to the company will be withheld from the employee's pay check.
- 5 Cardholders are expected to comply with internal control procedures in order to protect company and Lodging Policy.
7. A lost or stolen card should be reported immediately by telephone to SunTrust BankCard, N.A. Customer Service at 1-800-836-8562 or Shannon Sams at 336-719-4215.
- 8 A cardholder must surrender his or her card upon termination of employment (i.e. retirement or voluntary/involuntary termination).

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Cardholder Signature

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Cardholder Printed Name

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Date



## Attachment 2



### Pike Electric, Inc. Weekly Employee Cash Reimbursement Request (See Instructions on back.)

Employee Name (print) \_\_\_\_\_

Week-Ending Date \_\_\_\_\_

Employee Number \_\_\_\_\_

Foreman Name (print) \_\_\_\_\_

(1) Vendor	(2) Item Part Number	(3) Reason for Purchase or Repair [Specify: Need Customer Name]	(4) Job # or Equip. #	(6) Amount: Reimbursable Cash Expense	(7) Amount: Paid From Cash Advance
Total:				\$	\$

Employee Signature \_\_\_\_\_

Foreman Signature \_\_\_\_\_ Foreman Employee Number \_\_\_\_\_

**\*\*This report is to be mailed to office weekly if you have any reimbursable expenses.\*\***

Do not write below this line...for office use only.

Payroll Clerk Verification \_\_\_\_\_

Date \_\_\_\_\_

## Attachment 2

### Pike Electric, Inc.

#### ***Weekly Employee Cash Reimbursement Request Instructions***

***1. Attach receipts for reimbursement to expense report.***

*(Company charge-card receipts should be mailed weekly to AP, not with expense report.)*

***1 2 List each expense receipt individually on report with proper descriptions. Each expense receipt should show:***

***employee name -required employee # -required job # or equipment #, if applicable work order #, if applicable***

***\*\*Write only on front of receipt!\*\****

*If employee is below foreman level, give completed form to foreman for approval & mailing. Do not attach non-reimbursable expense receipts to report: no personal receipts.*

***1 Do not use highlight markers on receipts. Mail completed report at the end of each work week along with weekly time sheet, to payroll***  
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*clerk that processes your time.*

***5 For all salaried & clerical-hourly-paid employees: mail completed report to attention of***

***“Accounts Payable Department.”***

***6 For storm-related expenses, write “Customer Name” in column #3.***

## Attachment 2



### Pike Electric, Inc. Credit Card Receipt Submission Form

>>See instructions on back.<<

Employee Name (print) \_\_\_\_\_ Week-Ending Date \_\_\_\_\_

Employee Number \_\_\_\_\_ Foreman Name (print) \_\_\_\_\_

(1) Vendor	(2) Item Purchased	(3) Reason for Purchase or Rental [Storms: Need Customer Name]	(4) Job # or Equip. #	(5) Amount: Company VISA only	(6) (X) If Billable to Job

**\*\*All credit card receipts should be mailed weekly to Mount Airy Office.\*\***

Do not write below this line...for office use only.

Payroll Clerk Verification _____	Date _____
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## Attachment 3



Employee Visa Reconciliation Report							
Name and Week Ending				Week Ending: 9/21/08			
Location / Description							
Job Number		WO#		Employee Number:			
Billable Expense Report?		Yes					
Date (mm/dd/yy)	09/15/08	09/16/08	09/17/08	09/18/08	09/19/08	09/20/08	09/21/08
	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
<b>Travel Expenses</b>							Totals
Airfare							\$ -
Lodging							\$ -
Parking/Tips/Tolls							\$ -
Rental Car							\$ -
Fuel							\$ -
Employee Meals							
Breakfast							\$ -
Lunch							\$ -
Dinner							\$ -
Business Meals							\$ -
Client Entertainment							\$ -
Other							\$ -
<b>General Expenses</b>							
Purchases							\$ -
Office Expense							\$ -
Business Meals							\$ -
Client Entertainment							\$ -
Phone							\$ -
Other							\$ -
<b>Daily Totals</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ -
Details of related expense items above by date:							
<u>09/15/08</u>							
<u>09/16/08</u>							
<u>09/17/08</u>							
<u>09/18/08</u>							
<u>09/19/08</u>							
<u>09/20/08</u>							
Employee Signature		Date		Approval Signature		Date	



Employee Cash Reimbursement Report							
Name and Week Ending				Week Ending: 10/26/08			
Location / Description							
Job Number		WO #		Employee Number:			
Billable Expense Report?							
Date (mm/dd/yy)	10/20/08	10/21/08	10/22/08	10/23/08	10/24/08	10/25/08	10/26/08
	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
							Totals
<b>Travel Expenses</b>							
Airfare							\$ -
Lodging							\$ -
Parking/Tips/Tolls							\$ -
Rental Car							\$ -
Fuel							\$ -
<b>Meals</b>							
Breakfast							\$ -
Lunch							\$ -
Dinner							\$ -
Business Meals							\$ -
Client Entertainment							\$ -
Other							\$ -
<b>General Expenses</b>							
Purchases							\$ -
Office Expense							\$ -
Business Meals							\$ -
Client Entertainment							\$ -
Phone							\$ -
Other							\$ -
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Mileage</b>							
Mileage	-		-		-		
Mileage Reimb Rate	\$ 0.585					Total Miles:	-
						Total Mileage:	\$ -
						Total Reimbursement:	\$ -
Details of related expense items above by date:							
10/20/08							
10/21/08							
10/22/08							
10/23/08							
10/24/08							
10/25/08							

Employee Signature
Date

Approval Signature
Date